12 USC 1703 note.

of this Act) submits to any such financial institution or to the Secretary false information shall be subject to a civil money penalty in the amount and manner provided under section 536 with respect to mortgagees and lenders under this Act."

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply only with respect to—

Loans.

(1) violations referred to in the amendment that occur on or after the date of the enactment of this Act; and

12 USC 1709.

(2) in the case of a continuing violation (as determined by the Secretary of Housing and Urban Development), any portion of a violation referred to in the amendment that occurs on or after such date.

SEC. 135. NOTIFICATION REGARDING SUSPENDED MORTGAGEES.

Section 203 of the National Housing Act is amended by adding at the end the following new subsection:

"(s) Whenever the Secretary has taken any discretionary action to suspend or revoke the approval of any mortgagee to participate in any mortgage insurance program under this title, the Secretary shall provide prompt notice of the action and a statement of the reasons for the action to—

"(1) the Secretary of Veterans Affairs;

"(2) the chief executive officer of the Federal National Mortgage Association;

"(3) the chief executive officer of the Federal Home Loan Mortgage Corporation;

12 USC 1710.

"(4) the Administrator of the Farmers Home Administration;

"(5) if the mortgagee is a national bank or District bank, or a subsidiary or affiliate of such a bank, the Comptroller of the Currency;

"(6) if the mortgagee is a State bank that is a member of the Federal Reserve System or a subsidiary or affiliate of such a bank, or a bank holding company or a subsidiary or affiliate of such a company, the Board of Governors of the Federal Reserve System;

"(7) if the mortgagee is a State bank that is not a member of the Federal Reserve System or is a subsidiary or affiliate of such

a bank, the Board of Directors of the Federal Deposit Insurance Corporation; and "(8) if the mortgagee is a Federal or State savings association or a subsidiary or affiliate of a savings association, the Director of the Office of Thrift Supervision.".

SEC. 136. PHA FORECLOSED PROPERTIES.

(a) MAINTENANCE.—Section 204(a) of the National Housing Act is amended by inserting after the period at the end of the third sentence the following new sentence: "As a condition of the receipt of such benefits, the mortgagee shall maintain or assure the maintenance of the mortgaged property (in such manner as the Secretary shall by regulation provide) during the period beginning on the taking of the possession or other acquisition of the mortgaged property by the mortgagee and ending on conveyance to the Secretary or other disposition of the mortgaged property in accordance with this section, and funds expended by the mortgagee in meeting such obligation shall be included, to the extent provided in this subsection or in subsection (k), in debentures or other insurance payment pursuant to this section.".